

### REMARKS

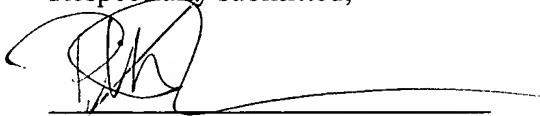
This paper is in response to the final Office Action dated July 23, 2003. Claims 16, 17, 19-23 and 25-29 were pending. All the pending claims remain rejected. Independent Claim 16 is currently amended herein. Amended Claim 16 is supported by the originally filed specification, for example at page 3, lines 19-20 and page 7, lines 2-4, as thus does not constitute new matter. Further, new Claims 30-31 are added herein. The new claims are supported by the originally filed specification, for example at page 7, lines 4-10 and 19-20, page 8, lines 1-6, and page 9, lines 15-16, as thus do not constitute new matter. As such, claims 16, 17, 19-23 and 25-31 are now pending. In view of the Request for Continued Examination filed herewith, Applicants respectfully requested consideration and entry of the present amendments and remarks.

Claims 16, 17, 19-23 and 25-29 remain rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent No. 6,468,678 to Dahlin et al. ("Dahlin") in view of two secondary references: (1) U.S. Patent No. 6,217,252 to Tolliver ("Tolliver"); and (2) U.S. Patent No. 3,985,588 to Lyman ("Lyman"). Claim 16 has been amended herein to recite a single magnetic coating. As noted by the Examiner, Dahlin teaches embodiments having several layers (*see* instant Office Action at page 3, fourth paragraph) and thus Applicants respectfully assert that Dahlin teaches away from the application of a single layer of matrix material containing magnetic particles (*see also* Applicants' Reply of July 7, 2003).

Indeed, Dahlin teaches away from a magnet having a single layer in favor of multiple layers requiring at least an adhesive layer to affix the conformable magnet to the traffic surface. Accordingly, Dahlin teaches away from the invention defined by Claim 30 which requires that the magnetic coating be fixedly attached to the substrate without an adhesive layer.

In addition, Applicants respectfully assert that none of the cited references teach or suggest the invention defined by Claim 31 which requires a flexible, anisotropic magnet that has induced magnetocrystalline anisotropy and less than five percent (5%), by weight, of volatile organic compounds. Accordingly, Applicants respectfully assert that, when taken as a whole, the cited references do not teach, or provide the motivation to arrive at, the presently claimed invention. Withdrawal of the rejection of Claims 16, 17, 19-23 and 25-29 under 35 U.S.C. § 103(a) is respectfully requested. Applicants respectfully request consideration and entry of the foregoing amendment and remarks into the file history of the above-identified application. An allowance is earnestly sought.

Respectfully submitted,



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Henry Tang  
Patent Office Reg. No. 29,705

Peter J. Shen  
Patent Office Reg. No. 52,217  
*Attorneys for Applicants*

Baker Botts, LLP  
30 Rockefeller Plaza  
New York, NY 10112-4498  
(212) 408-2500